

Measurement and Analysis of Rural Household Income in a Dualistic Economy: The Case of South Africa

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Government Departments in South African utilises a number of different data sets on income of rural households. These include the Population Census, the October Household survey of 1995 and 2000, the Rural Household Survey of 1997 and then the various agricultural censuses (1996 and 2003). All of these use different approaches in obtaining household income. The agricultural census for example only reports on farm income – excluding the non-farm income. This paper reviews the different sources of household income data, their measurement techniques and their utilisation. The difference in application of various surveys in the former homeland areas and the so-called commercial farming areas are also shown. In the case of the former homeland areas integrated rural household data is used for poverty measurement purposes. The context and methodologies of these surveys are discussed in detail. The paper then also applies the different databases to different policy simulations in order to show the differential policy outcomes of the different databases.